

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION**

<b>RED STROKES ENTERTAINMENT, INC.</b>	)	
	)	
<b>Plaintiff,</b>	)	<b>No. 3:12-cv-00008</b>
	)	
<b>v.</b>	)	
	)	
<b>LISA A. SANDERSON,</b>	)	<b>JURY DEMAND</b>
	)	
<b>Defendant.</b>	)	

**AFFIDAVIT OF CHERYL S. HARRIS**

Being first duly sworn, Cheryl S. Harris deposes and says:

1. I am over eighteen (18) years of age. I am competent to testify in court. The statements in this Affidavit are based on my personal knowledge unless otherwise indicated.

2. I am a member of O'Neil Hagaman, PLLC ("O'Neil Hagaman") a business management company at all times located in Nashville, Tennessee.

3. My firm was engaged to provide accounting services to Red Strokes Entertainment, Inc. ("Red Strokes") in 1994. My work on the Red Strokes account encompassed management of all accounting and tax responsibilities including accounts payable, payroll, cash receipts, general ledger maintenance, preparation of federal and state income tax returns, payroll tax returns, business tax registration, corporate annual report, and overseeing commercial insurance and employee benefits.

4. In this capacity, I worked closely with the General Manager of Red Strokes, Lisa Sanderson. Ms. Sanderson has been in regular contact with O'Neil Hagaman from the inception of Red Strokes until the winding down of the company in 2010 and 2011.

5. At this time, Red Strokes maintains no office in California and has no employees in California. Company documents such as general ledgers, payroll registers, tax returns, receipts, business reports, and other pertinent documents are, and have always been, maintained in Nashville, Tennessee.

6. From 1994 to 2000, Garth Brooks, sole shareholder and President of Red Strokes, maintained his principle residence in Nashville, Tennessee, and continues to maintain a residence in Nashville currently. I understand that business decisions regarding the foundation, business plan, and business endeavors of Red Strokes were made by Mr. Brooks and Lisa Sanderson while Mr. Brooks was living in Nashville.

7. I also understand that during this time period, Lisa Sanderson was in continuous and regular contact with Mr. Brooks in Nashville, Tennessee.

8. Decisions regarding payroll, tax preparation, business expense reimbursement, travel reimbursement, and various other administrative operations of Red Strokes were handled and approved in Nashville, with input from Lisa Sanderson, Mr. Brooks, and O'Neil Hagaman.

9. Paychecks for Ms. Sanderson and other Red Strokes employees have always been issued from Red Strokes' SunTrust bank account in Nashville.

10. Red Strokes produced two movies, *Call Me Claus* (2001) and *Unanswered Prayers* (2010). Both movies were tie-ins with various of Mr. Brooks' albums, the former with *Garth Brooks & the Magic of Christmas: Songs from Call Me Claus* (2001) and the latter with *No Fences* (1990). Both of these albums were recorded in Nashville.

11. Because music from these albums was used in the two Red Strokes movies, Ms. Sanderson negotiated and discussed the use of this music with employees of Major Bob Music, Inc., Rio Bravo Music, Inc., and Pearl Records, Inc., all Tennessee corporations doing business

in Nashville with an interest in the musical compositions and master recordings used in the Red Strokes movies.

12. In preparation for an additional Red Strokes film project titled *The Lamb*, based on the fictional rock singer Chris Gaines, I understand that Ms. Sanderson visited Nashville on several occasions to plan business strategy and participate in pre-release marketing for *The Lamb* and the associated Chris Gaines musical recordings.

13. Red Strokes also bought the rights to a book titled “Sugar Blue,” written, in part, by Michael Doyle, resident of Nashville, Tennessee and employee of Major Bob Music, Inc. in preparation for a possible future film project. Ms. Sanderson was personally involved in the contracting of the rights to “Sugar Blue.”

14. Apart from her role as General Manager of Red Strokes, Ms. Sanderson possesses a songwriting and music publishing credit on the song “The Red Strokes,” featured on the albums *In Pieces* (1993) and *The Hits* (1995).

15. Ms. Sanderson’s creative share of “The Red Strokes” is her personal property, and she uses the Tennessee company Major Bob Music, Inc., located in Nashville, Tennessee, to administer these songwriting and music publishing credits. She receives periodic royalties from exploitation of this composition.

16. The loan from Red Strokes to Ms. Sanderson was facilitated by myself and others at O’Neil Hagaman. Sanderson was only in a position to receive the loan because she was General Manager of Red Strokes. The funds for the loan were drawn from Red Strokes’ SunTrust bank account in Nashville, Tennessee.

17. The initial payment of the loan was made directly to Ms. Sanderson. At the time, she had incurred and paid several legal bills. It is my understanding that Ms. Sanderson

negotiated the loan with Mr. Brooks and Red Strokes and then contacted O'Neil Hagaman in Nashville to have Red Strokes issue a loan check to her.

18. Subsequent payments on the loan were made directly to Ms. Sanderson's attorneys, at her request. When Ms. Sanderson received legal bills, she would present them to me at O'Neil Hagaman in Nashville, Tennessee so that Red Strokes could pay them through its SunTrust bank account in Nashville. O'Neil Hagaman recorded all amounts loaned to Ms. Sanderson to a general ledger account designated for loans to Ms. Sanderson.

19. Over the approximately 17 years Red Strokes was operating, Ms. Sanderson conducted business with numerous Tennessee businesses and residents, both on behalf of Red Strokes and on behalf of herself, visited Nashville numerous times, and maintained regular and consistent contact with Nashville residents and businesses.

20. I am also aware that Ms. Sanderson was raised in Memphis, Tennessee and was educated at the Hutchison School in Memphis, Tennessee.

FURTHER DEPONENT SAITH NOT.

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Cheryl Harris  
CHERYL HARRIS

Sworn to and subscribed before me this the **18th** day of January, 2012.

Dana L. Dennis  
Notary Public

My Commission Expires:

My Commission Expires January 6, 2015